DCI TESTIMONY ON COUNTERINTELLIGENCE

Talking Points

I. **Introduction**

-- Pleased to join Judge Webster and Mr. Willard in assisting your examination of US counterintelligence activities.

-- Will give brief statement, then respond to questions.

II. **Assessment of Intelligence Threat**

A. Principal threat: Soviet intelligence services (KGB and GRU)

-- Large, sophisticated and determined worldwide effort (espionage, subversion, covert action, and counterintelligence).

-- [   ] 25X1

-- GRU smaller, but just as skilled.

-- [   ] 25X1

-- Both conduct extensive overt, clandestine HUMINT, SIGINT, and imagery operations vs. US/NATO military, technology & intelligence

[   ] 25X1

B. Soviet threat augmented, especially by Warsaw Pact intelligence services and Cuba.

-- Small, but Soviet trained and responsive to KGB/GRU tasking.

C. PRC intelligence threat growing [   ] 25X1
25X1 [   ]

D. Military-related technology priority target for all hostile intelligence services.

-- Most significant technology transfer losses result from industrial espionage and illegal trade diversions.

[   ] 25X1

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III. <u>US Counterintelligence Establishment</u>

    A. National counterintelligence program based on cooperative effort of various agencies.

        -- NSC-level committee.

        -- FBI jurisdiction in CONUS.

        -- CIA jurisdiction abroad.

        -- Others (NSA, DIA, military services, and DOE) contribute where possible at home and abroad.

    B. NSC-level review currently inactive, but available if required.

    C. My intel community CI Staff ensures resources are coordinated, mobilized, and focused.

        -- Produces periodic, comprehensive assessments of total, multidisciplinary threat.

        -- Supported by output and personnel from community.

    D. CIA's entire overseas effort dedicated to CI supported by Headquarters staff.
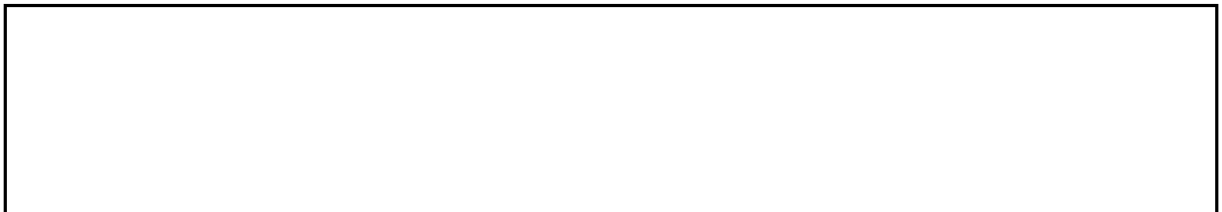
        -- Coordinates all overseas operations and liaison.

        -- Technology Transfer Center recently set up to monitor transfers to communist countries in support of CI operations.

    E. FBI coordinates all CI operations in US.

        -- Other community agencies support both at home and abroad.

        -- Much effort toward thwarting illegal tech transfers and industrial espionage.

IV. <u>Effectiveness</u>

    A. Believe effort to integrate CI and clandestine operations has improved   25X1 CIA's effectiveness.

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B. Coordination between US agencies abroad working well.

C. Coordination between CIA and FBI more effective than at any time in history (extensive sharing of data).

-- Particularly complex because hostile actions rarely <u>either</u> only at home <u>or</u> only abroad.

D. Have uncovered extensive evidence of hostile activity vs. US.

-- Usually leads to neutralization.

-- Never sure, however, how much we fail to uncover.

- Hostile services put much effort into high-level penetrations.

V. <u>Conclusions</u>

A. <u>No</u> desire to establish single agency to control all US CI operations.

-- Unacceptable for practical and political reasons.

B. Believe current national CI program and organization are adequate and working reasonably well.

-- Coordination between agencies at home and abroad smooth.

-- Community CI Staff monitoring and marshalling efforts.

-- NSC-level review available, if required.

C. Prepared to consider any recommendations from Committee.

D. Welcome any questions.

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